

ANNE MILGRAM  
ATTORNEY GENERAL OF NEW JERSEY  
Division of Law  
124 Halsey Street  
P.O. Box 45029  
Newark, New Jersey 07101

By: Susan Carboni  
Deputy Attorney General  
(973) 648-2894

REAL ESTATE APPRAISERS

2009 MAR -5 P 10 12

COPY

CERTIFIED TRUE COPY

STATE OF NEW JERSEY  
DEPARTMENT OF LAW AND PUBLIC SAFETY  
DIVISION OF CONSUMER AFFAIRS  
NEW JERSEY STATE BOARD  
OF REAL ESTATE APPRAISERS

BOARD OF  
REAL ESTATE APPRAISERS

*James S. Hsu*  
DR. JAMES S. HSU  
Executive Director

3/5/09

CONSENT ORDER

IN THE MATTER OF THE SUSPENSION :  
OR REVOCATION OF THE LICENSE OF :

DANIELLE L. BANNON :  
License #RC00195600 :

TO ENGAGE IN REAL ESTATE :  
APPRAISING IN THE STATE :  
OF NEW JERSEY :

This matter was opened to the New Jersey State Board of Real Estate Appraisers ("the Board") upon receipt of information regarding respondent's appraisals of 1002 Evergreen Boulevard, Browns Mills, New Jersey, with a date of valuation of January 12, 2008; and 832 Birch Terrace, Williamstown, New Jersey, with a date of valuation of November 2, 2007. Upon investigation, the following emerged:

In the appraisal of 1002 Evergreen Boulevard, respondent compared the subject property to a property described by the multiple listing printout as having an in-ground pool, and including five lots, one of which was "buildable." Respondent admitted that, had she noted those points in the description, she would not have selected that property as a comparable sale in the report.

In addition, respondent described both the subject and the comparable sales as being in "average" condition. The subject property was 40 years in age, and respondent selected two comparable sales that were eight years of age and one sale that was ten years of age, and justified this by claiming that the subject had been renovated to the point that its effective age was five to eight years. Respondent explained that her use of the term "average" meant "average for the area" or "average amongst the comparables that were used." This explanation does not comport with accepted real estate appraiser practice, in that renders the term "average" virtually useless in conveying information to the reader of the report, since it requires entry into the thought processes of the appraiser in order to comprehend that "average" might mean above-average, good, excellent, or completely renovated condition, as opposed to simply being maintained or kept in good repair, which is its standard meaning in the profession.

Respondent also did not indicate in the report the renovations to the subject, i.e., an addition, a new fireplace, new siding, remodeling of the entire house, a new kitchen, and new flooring, which she cited in her testimony. Respondent explained that she did not do so because the property had been appraised several months earlier, and that information was in the earlier appraisal report, to which the client had access. Inasmuch as this previous report, presumably by another appraiser, was not incorporated by reference in her own report, and moreover because each appraisal report is independently considered in justifying a financing decision by a financial institution, the failure to contain this relevant information is misleading within the intendment of the Conduct Section of the Ethics Rule of the Uniform Standards of Professional Appraisal Practice (the USPAP). Respondent's selection of an inappropriate comparable sale, and inadequate description of subject and comparable sales, constitute a violation of Standards Rule 1-1(a) of the USPAP, i.e., the requirement that an appraiser be aware of, understand and correctly employ those recognized methods and techniques that are necessary to produce a credible appraisal.

With respect to the appraisal of 832 Birch Terrace, respondent failed to note pertinent information about the comparable sales that was indicated in the multiple listing

printouts, or to investigate the extent to which this information might warrant an adjustment to the comparable sales used in the report. This information included proximity to the beach, a heated garage with a second floor and the potential for conversion to a living area, new siding and gutters, possession of an in-law suite, and location on a double lot. This failure to adequately describe the comparable sales used in the report and make appropriate adjustments constitutes a violation of Standards Rule 1-1(a) and (c)<sup>1</sup> in the USPAP, and is misleading within the intendment of the Conduct Section of the Ethics Rule of the USPAP.

These findings subject respondent to sanctions pursuant to N.J.A.C. 13:40A-6.1 and N.J.S.A. 45:1-21(e).

The parties having determined to resolve this matter without further proceedings, and without admissions, respondent having waived any right to a hearing and the Board finding that the within Order is sufficiently protective of the public, and for other good cause shown,

IT IS ON THIS 3<sup>rd</sup> DAY OF March, 2009,

HEREBY ORDERED AND AGREED THAT:

1. A public reprimand is hereby imposed upon respondent

---

<sup>1</sup> Standards Rule 1-1(c) is the requirement not to render appraisal services in a careless or negligent manner, such as by making a series of errors that in the aggregate affects the credibility of a report.

for her violation of N.J.S.A. 45:1-21(e) and (h).

2. Respondent shall pay investigative costs in the amount of \$266.90. Payment shall be in the form of a certified check or money order made payable to the State of New Jersey, and forwarded to the Board along with this signed Order.

3. Respondent shall, within six months of the filing of this Order, provide the Board with proof of successful completion of a fifteen (15) hour USPAP course; and a continuing education course in the sales comparison approach.

NEW JERSEY STATE BOARD  
OF REAL ESTATE APPRAISERS

By: Cheryle A. Randolph-Sharpe

Cheryle Randolph-Sharpe  
Board President

I have read and understood the  
above order and agree to be  
bound by its terms.

Danielle L. Bannon

Danielle Bannon